TAM AUTO-ENROLMENT

DEFAULT **BALANCED** PORTFOLIO

31st December 2017

PORTFOLIO INFORMATION

Inception	19th March 2015
Total management and underlying fund charge	0.75% per annum*

**Plus execution fee of 0.5% up to 50p per transaction*

INVESTMENT STRATEGY

This default balanced portfolio comprises of investment vehicles including unit trusts, mutual funds and exchange traded funds (ETFs), whose managers aim to outperform their respective markets. Asset classes you could find in this portfolio are government bonds, corporate bonds, alternatives and cash. Absolute return, property and commodities may all feature within the alternatives classification. Default Balanced seeks to generate capital growth over the medium to longer term, with the aim of riding out short term fluctuations in value. The portfolio will have a balanced approach to equity exposure, typically comprising of 50% equity and 50% non-equity, though weightings may deviate within set parameters, allowing managers to react to market conditions.

RISK RATING

QUARTERLY REVIEW & OUTLOOK SUMMARY

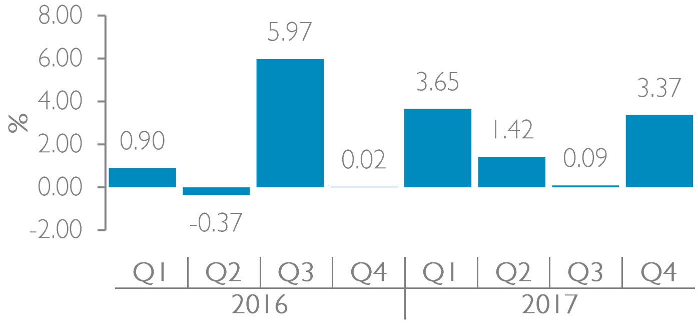
For the foreseeable future, we expect the UK's political unrest to continue to dominate the nation's headlines, as well as the direction of the pound. Once a figure is nailed down for the Brexit bill, we expect to see the progress of negotiations pick up, which could cause the pound to find a little more short-term strength. Domestically, with consumer spending slowing, a cabinet in disarray and the pound remaining depressed, we see no real pick up in core GDP growth over the next six months. Within Emerging Markets, contingent with no large scale macroeconomic shocks, such as a rise in geopolitical or trade tensions, we expect to see a continuation of broad economic recovery and corporate earnings upgrades. In Europe, despite the recent volatility from the prospect of another round of German elections, and risk of a populist win in the upcoming Italian elections, we believe the broad recovery in Europe will prove one of the standout growth stories in 2018.

Whilst President Trump has under-delivered on policy reform over 2017, we believe the recent progress on tax reform could mark a turning point. We expect the reforms to be passed, after which Trump will begin to tackle the other topics on his agenda, such as infrastructure and deregulation. Despite the toppy valuations, economic indicators in the US suggest 2018 should see another steady year for growth and corporate earnings. Overall, it seems as if the global economy will be carrying much of its recent momentum into 2018, albeit a slightly lower level of growth than we had in 2017. While 2017 may have been the year for growth stocks across the world, the US tech giants led the way; we are not convinced that the market will continue to be as narrowly led by these stocks going forward. This may lead the way for value investing in 2018 and we believe our portfolios are well positioned to benefit from this.

PERFORMANCE*

3 MONTH	6 MONTH	1 YEAR	INCEPTION
3.37%	3.46%	8.52%	16.38%

HISTORICAL PERFORMANCE*

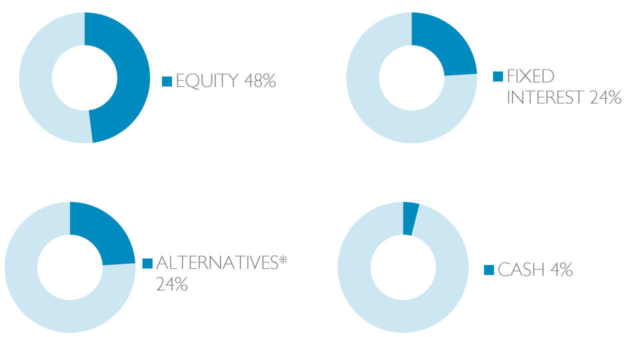


** TAM Asset Management Ltd. Default Balanced portfolio return from 1st January 2015 to 31st December 2017 net of TAM fees. Past performance is not necessarily a guide to future returns. The value of investments, and the income from it, may go down as well as up and may fall below the amount initially invested.*

CURRENT CORE HOLDINGS

1. Blackrock UK Equity Tracker
2. Fundsmith Equity Fund
3. Legal & General Short Dated Sterling Corporate Bond
4. Threadneedle UK Absolute Alpha Fund

CURRENT ASSET ALLOCATION



**Absolute return, property and commodities may all feature within the alternatives classification*

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